NEW-YORK, FRIDAY, JUNE 15, 1877.

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THE GREAT ORIENTAL WAR.

RENEWED ACTIVITY ON ALL SIDES. THE RUSSIANS PUSHING THE INVESTMENT OF KARS WITH GREAT VIGOR.

There is greater activity on the Danube. The Russians and Turks are busily engaged throwing up batteries. The former have erected one on an island opposite Rustchuk. Further delay is, however, expected before the passage of the river be-In Armenia, the Turks actually claim have sent troops in the direction of Ardaban-a locality which they hastily deserted when that city was captured. There was fierce fighting at Kars last week, from Tuesday to Saturday, when the Turks made a sortie in force and repulsed the Russians with great loss. The Turks represent that the Russiane have gathered troops from several points to aid in the investment Mukhtar Pasha's headquarters are at Zewin, about 50 miles from Erzerum. Prince Gortchakef has made a vigorous reply to the diplomatic assailants of Russia.

THE OPERATIONS AT KARS. CONSTANT FIGHTING GOING ON - THE RUSSIANS DRAWING TROOPS FROM OTHER POINTS TO KARS

-VICTORIES CLAIMED BY BOTH SIDES. St. Petersburg, Thursday, June 14, 1877. An official telegram from Masra (about eight miles north-east of Kars), dated yesterday, announces that the Turks are attempting to form counter-approaches, and are constantly making sorties. The Russian batteries have been very successful in frustrating all these attempts. A sortie was yesterday repulsed with heavy loss to the Turks. Seven Russians were

CONSTANTINOPLE, Thursday, June 14, 1877. Three attacks were made on Friday by the Russians against Fort Tahmaz, which was erected in 1855 to strengthen the defense of Fort Veli Pachi, which is the key to Kars. Other returned attacks followed on Saturday, but the result is unknown.

LONDON, Thursday, June 14, 1877. A telegram from The Standard's correspondent with Mukhtar Pasha's camp at Zewin, 50 miles from Erzerom, on Monday, says: "Reports have arrived from Kars that the Russians have massed round Kars all the troops which they brought from Ardahan, Gumri (or Alexandropol), Kagisham, and Sonricamicke. For several days they have attempted to storm Forts Tahmaz and Karadagh, but on every ocon they have been repulsed. On Saturday they made a desperate effort to take possession of some of the hights, when the garrison of Kars made a sertic in force, with field artillery, and repulsed the Rusmans with great loss." Another dispatch from Zewin adds that the Russians who retired from Pennek, Olti, and Soghanlu have gathered around Kars.

THE GENERAL SITUATION IN ARMENIA. THE TURKS REPORTED TO BE ACTING ON THE OF-PENSIVE-CIRCASSIAN DISAFFECTION.

ERZERUM, Thursday, June 14, 1877. The Turks after occupying Olti marched in the direction of Ardaban. A Russian detachment bas been sent from Ardaban to reënforce the center. Twelve battalions of troops, a field battery, and four mountain guns, have left Delibaba to attack a column of the Russian left wing before Toprak-Kaleh, 20 miles distant.

CAMP ZEWIN, June 10, 1877. Circassians in the Russian service, numbering six cavalry regiments, having refused to operate against their Mahommedan brethren, have been sent back from the main column toward Bayazid.

THE ARMY OF THE DANUBE. THE RUSSIANS AND TURKS ERECTING MORE BAT-TERIES-A TURKISH MONITOR ATTACKED.

LONDON, Thursday, June 14, 1877. "The Russians and Torks," says a Bucharest tele gram to The Times, "have constructed strong batteries on the opposite sheres of the Danube at Saturnon and Isaktchi [in the Dobrudja], where the Russians crossed in 1828. The immense mass of material which the Russians are moving toward the Danube can scarcely be lodged in the depots on the river before the 1st of July. It is therefore scarcely probable that any attempt will be made to cross before that month, and this supposition is strengthened by the present state of the Danube. The enemy will certainly be on the alert on account of the Czar's arrival at headquarters, and therefore, instead of the Czar's arrival, as thought by some, being an indication of immediate activity, it is much more probable it will be allowed to lose its awakening effects on the Turks, and that they will be suffered to relapse into their usual lethargic state." The correspondent adds: "I do not believe the Russians will cross at the earliest moment practicable, but probably after the first alarm when the activity aroused by their appearance in close proximity to the Danube has sub-

A Renter telegram from Rustchuk, dated vesterday, says: "Last night a party of Russians opposite Maretin (near Rustchuk) attempted an attack in boats upon a Turkish monitor there, but the latter, with the help of a land battery, beat them off, To-day another attempt was made to construct a battery on the islands, but the Turks compelled the enemy to retreat. Both affairs are considered to be feints to find out the position of the Turkish bat-

Prince Gortchakoff and Gen. Ignatieff intend to reside some time at Bucharest.

Prince Milan has arrived at Orsova, on his way to The Russians have organized 15 field hospitals,

containing altogether 20,000 beds, to be distributed over Roumania and the adjoining districts. This provision for the sick and wounded is thought to be sufficient for all emergencies.

CONSTANTINOPLE, Thursday, June 14, 1877. The Russians have erected a battery on an island

THE BOSNIAN INSURRECTION.

LONDON, Thursday, June 14, 1877. Regarding the Bosnian insurrection the following has been received here: A dispatch dated June 9 auneunces that an insurgent band burned a house in the village of Oussdjak, but were driven away and pursued. Another dispatch, dated Novi Bazar, June 10, says the finhabitants of Rahovo, Okhova, and Beani have made submission. The inhabitants of Zalaska have been disarmed. The insurgents at Montaitaha have been defeated by Constant Pasha and fied. An insurgent band has attacked Mitro-

NO PROSPECTS OF PEACE.

CONSTANTINOPLE, Thursday, June 14, 1877. The Turkish newspapers, in referring to the peace rumors lately current, are strongly adverse to peace, and dismiss the subject as unworthy of discussion.

PRINCE GORTCHAKOFF'S REPLY. THE RUSSIAN CHANCELLOR SAYS RUSSIA WILL EN-

FORCE A GENERAL SETTLEMENT. LONDON, Friday, June 15, 1877. The Paris correspondent of The Times says he has received a letter from Bloiesti, emanating from one who is in position to have exact information. The writer says:

"I have just read Prince Gortschakoff's reply. It s conciliatory but firm as to Constantinople. Nobody, says Prince Gortschakoff, can predict the urse or issue of the war; but neither the question of Constantinople nor that of the Dardanelles can be settled apart from Europe. The Emperor does

not wish to take possession of Constantineple. The policy of Rassia has been misunderstood. Arrifree pensées (reservations) have been imputed to her that she has not entertained. By this menacing distrust her commerce and industry have been paralyzed. This state of things must cease. As events a more comprehensive view, and heartily desire the

and the bad faith of the Turks forced the Emperor to draw the sword, he will not replace it until all the questions at issue have been settled and the programme of Russia received full satisfaction."

THE NEW RUSSIAN LOAN. THE MONEY TO BE RAISED IN PARIS AND BERLIN-A SYNDICATE FORMED.

Sr. Perensburg, Thursday, June 14, 1877. The new Russian five per cent loan will be issued by the Imperial Redemption Commission. Interest will accrue from July 1. The half yearly coupon will be paid by Mendelssohn & Co. of Berlin, Lippmann, Rosenthal & Co. of Amsterdam, the Comptoir Descompte of Paris, and the branch of the same establishment in

LONDON, Thursday, June 14, 1877. In its financial columns The Times says: "The Russian loan of \$75,000,000, the imperial ukase authorizing which was published at St. Petersburg yesterday, is said to have been originally offered to houses here and refused. It is now to be issued at Paris and Berlin. It is stated that the issue price is 70 per cent, and that a syndicate of bankers have taken the loan at a net price so far below this figure as to leave ample margin. In the face of the fact that an internal forced loan of 200,000, 000 roubles has also been decreed, this borrowing does indeed indicate rapid exhaustion."

NEUTRAL COMMERCE WITH RUSSIA. AN IMPERIAL UKASE DEFINING THE RIGHTS OF NEUTRAL TRADE.

Washington, June 14.—Dispatches received at the Department of State from the United States Minister at St. Petersburg, contains a copy of the Imperial ukase, issued by the Czar of Russia, defining the commercial relations of neutral powers with that coun-

commercial relations of neutral powers with that country. The following is the substance of the Ukase:

The subjects of neutral States may continue their commercial intercourse with Russian ports and cities provided they observe the laws of the Empire and the principles of international law; and the mulitary authorities shall take the necessary steps to secure the freedom of lawful neutral commerce so far as this is allowed by the conditions of military operations. According to the terms of the Paris Declaration of April 4 and 16, 1856, privateering is considered as abolished and the delivery of letters of inarque is interdicted. According to the same declaration the following rules are to be observed with regard to the commerce of neutrals. First, a neutral dag protects the merchandise of an enemy, with the exception of contraband of war; second, merchandise belonging to a neutral, with the exception of contraband, is not liable to seizure under the flag of an enemy; third, blockades in order to be valid must be effective, that is to say, maintained by a force sufficient really to prevent access to the shores of the enemy.

These provisions of the Paris Declaration apply to all' powers, not excepting the United States and Spain, which have not as yet adhered to these declarations. All arms and annuitions of war, and the material for manufacturing them, are considered contraband, and when found on board neutral vessels bound to the port of an enemy will be selzed and confiscated, excepting such quantity as may be required by the vessel on board of which the seizure is effected. Neutrals are all prohibited from the following acts: The transportation of hostile troops, dispatches, and correspondence of the enemy, and the furnishing of vessels of war to the enemy. Neutral vessels in the act of carrying such contraband may be seized, and even confiscated, according to conduct the war in try. The following is the substance of the Ukase:

hat river open to the commerce of neutrals, as far as racticable, and directs all officers to conduct the war in

WAR SCENES AND TOPICS. FICTITIOUS BULLETINS AND DISPATCHES. The flatterers about the Sultan's throne have and to call their imagination into play to amuse their master and keep the Constantinople mob in good nature. After the first shots were fired on the Danube they were anxious to have the Sultan take the title of conqueror, but he had the good sense to reject the title. The skirmishing at Batum was elaborated in the elastic Government bulletins into brilliant Turkish victories; town after town on the const was bombarded; there was good mysterious way his strategy to perform. Redif Pasha edited the builetins in the war office and Mahmoud Pasha, Marshal of the Palace, carried the news to the Sultan. When the Assembly of Deputies began to question the authenticity of the builetins, Redif Pasha admitted that he had resorted to artificial means to atimulate the courage of the Sultan's subjects, and announced that he would in future suppress all the Government dispatches. This policy was not popular; the Sultan was not entertained, and the people at once inferred from the War stantinople was chilled with apprehension, tidings came of the capture of Sukhum Kaleh. Redif Pasha gave his imagination full play, and the city was regaled with So great was the enthusiasm that the court favorites again urged the Sultan to assume the title of conqueror In disseminating fictitious intelligence, Redif Pasha has been aided by two newspaper correspondents. one of whom has been stationed at Erzerum and the other at Constantineple. The dispatches to The London Telegraph from Erzerum are said to be from the hand of James Creagh, an inexperienced correspondent, whose credulity has quickened the invention of the Eurlish officials. The Constantineple agent of the same journal, consciously or unconsciously, has played into the hands of the Minister of War. At first their cue was to exaggrate triding successes, such as the muskery engagements in the Valley of the Rion, the bombardment of Fort St. Nicholas and Poti, the uprising in the Caneasus, and the skirnishing before Kars. Subsequently they began to magnify Turkish defeats in Armenia and to predict the collapse of the Turkish army. A skirnish in which Turkish cavalry were worsted was manipulated into a massacre; the abandonment of Erzerum and a retreat in the direction of Erzingan were predicted and even announced, and the utter demoralization of the Turkish troops was vividly portrayed. The Turkish into a panie, and these correspondents either fell into the trap or helped set it. The rumors of the recapture of Ardaban, which were subsequently circulated, indicated a return to the first principles of misrepresentation and exaggeration.

BRITISH IRONCLADS IN CRINOLINE.

BRITISH IRONCLADS IN CRINOLINE. The comments of the London press on the destruction of the second Turkish monitor are somewhat lugubrious. The British Government has been expendng millions of dollars on a squadron of Thunderers, Denmense pieces of ordnanes like the 80-ton guns where that a dozen torpedoes may send them all plug-pang to contingency, however remote, should be even possible. The destruction of four or five of our great ships," it snys, "might give an enemy a temperary command of the Channel, and so realize the evil dream of the 'Battle the experiments which Capt, Singer of the Vesuvius has been conducting at Portsmouth, with a view to discover-ing the best means of defending ships against the attack of the Whitehead torpedo. Various forms of crinoline, fashioned of alternate lines of bars and chains, have been tried, but the size and power of the missile have been so nets of the Thunderer afford little or no protection chain net, formed of chains five-sixteenths of an inch thick, was easily perforated by the Whitehead. The great fault of the nets is their extreme rigidity, which opposes a solid wall to the impact of the torpedo, and the ars are consequently snapped. After many trials quite met matting, composed of wire strands about half an considerable flexibility, and, as it yields when struck, the force of the torpedo is not suddenly, but gradually, arrested, and as it loses its momentum it is thrown back by the recoil of the mat. During the experiments a torpedo thus forced back twiried its tail off without inflicting any injery to the matting. The Times does not permit the British public to derive any comfort from these experiments. It remarks that the destruction of the wondtor at Matchin was effected not by a torpedo of the Whitehead type, but by one fixed in contact with the doomed ship by a few daring men and afterward exploded by electricity. It is doubtful whether the wire netting would afford as effectual a protection against this form of peril as against the torpedo that is hurded from a distance and exploded by impact. The conclusion is that if men choose to take their lives in their hands, as the bold Russians and Romanians did who fixed the Matchin torpedo, there is hardly any mechanical device that would avail to baffle team. onsiderable flexibility, and, as it yields when struck

DR. SCHAFF AND THE SICK MAN.

Among the Americans who are watching the progress of events in Constantinople is Dr. Philip Schaff. In a letter to The Observer he defines the present war as "a conflict between the Cross and the Crescent; between Christian civilization and barbarism; between liberty and despotism. Russia may have selfish objects of conquest in view, but she is only an agent in the hands of Providence for higher and nobler purposes." Some of the missionaries, he says, fear that Russia may deprive them of that liberty which they enjoy at present under but the great majority with whom he has conversed in Constantinopie, Beirut, Damascus, and other places, take

speedy overthrow of the intolerable despotism of the Porte. The last of the Sultans, as Dr. Schaff saw him on May 11, was a pale man on a pale horse, and the horse was the better part of the show. As is usual on Friday -the Mohammedan Sabbath-the Sultan rode in great state from his palace to the mosque to perform his devotions. The young sovereign, recently elevated to the throne after the removal of his brother and the, suicide or muster of his father, slowly rode on a magnificent white charger, preceded and followed by footmen in gaudy Oriental spiender. He were a red feg, a black hreadeloth suit, and looked blank, weary and sad. A mechanical applianse areas for a moment from the sol-diers, who lined both sides of the street between the pulace and the neighboring mosques, while the multitude of spectators silently looked on.

UNTOLD RING HISTORY.

CONNOLLY'S FORMER EFFORT TO COM-PROMISE.

TRUE STORY OF HIS EFFORT TO SETTLE FOR \$1,000,000 IN 1871-HIS TALK WITH O'CONOR AT NO. 18 WALL-ST .- CONFERE CE AT CONNOL-LY'S HOUSE-MES. CONNOLLY PRODUCES A MIL-LION FOR PAYMENT ON THE SPOT-A DISAGREE-MENT AND A COMMITAL TO JAIL.

Richard B. Connolly, then only a few days the ex-Controller of this city, spent Thanksgiving Day, Nov. 30, 1871, in Ludlow Street Jail. He had been arested on the Saturday previous, while in the Controller's office, talking over his affairs with Samuel J. Tilden and Acting Controller Andrew H. Green, and trying to arrange for a settlement which should save him from the State Prison. In common with his chief confederates, Tweed, Hall, and Sweeny, he did not fully realize his position, but still believed in the power of money and olitical influence, and what to all of them seemed impossible to be overcome, the authority of a corrupt and which had shared largely in their crimes and their plunder. Convolly's arrest partially opened his eyes to the truth that the links of the Ring-chain had been snapped asunder, that not only his associates in the city government who had divided with him the proceeds of fraud and the responsibility for their shameful money were powerless to help, but also that Mayor Havemeyer, Mr. Tilden, Mr. Green, and others called in in his extremity to find a way out for him were obliged, in deference to public opinion, to make an example of him, and to hold him accountable for his acts as an unfaithful and dishonest public servant. He entered the jail shortly after midnight, and as he was taken into the best room or parlor, where he was to be held as a prisoner, he gave way to a passionate outburst of sobs and tears. The friends who had accompanied him soon after retired to their homes, and for the first time he slept under lock and key in the charge of the Sheriff in the County Jail.

the suits against Connolly, begun on his part through his son-in-law, ex-Surrogate Hutchings, recall the first offer for settlement made by the ex-Controller in 1871. When arrested he was taken from the New Court-House to Delmouleo's, and afterward to the New-York Hotel. The city was secured for bail, but it was found impossible to mean time public opinion was becoming stronger and stronger against the Ring thieves. It was not considered respectable to be on the ball bonds of these men. In this position of affairs, Convolly's counsel advised him to stop best terms he could get from the prosecution. Strange as it may seem, he was still unwilling to do this. After many hours of consultation with his lawyers and friends, he acceded to their wishes, and preliminary negotiations were begun with Chartes O'Conor and Wheeler II. Peck-ham. On the Wednesday before Thanksgiving Day, 1871. Connolly was driven in a carriage guarded by two deputy sheriffs to the offices of the Municipal Reform Association, No. 18 Wall-st., where Mr. O'Conor was waiting for him. The offices were separated by glass doors. Mr. O'Conor and the ex-Controller went into one of them and began to talk. Soon Mr. O'Conor came out and pointing to Mr. Fithian, Connolly's son-in-law, asked, "Who is he !" Upon being informed, he said to returned to Councily and continued the conversation. to Connolly. "I have no more interest in this scittle ment Minister's suspicious silence that there was very bad than I have in this apple skin which you see me throw away." Mr. O'Conor again came out, in a nervous and excitable way, and asked one of the deputy sheriffs if he had a sufficient force with him. Being assured on this point, he warned the sheriffs to guard carefully both doors. Mr. O'Conor evidently feared that an attempt would be made to take Connolly out of the hands of the Sheriff. The result of this interview was a willingness on the part of Connolly to return at Connolly's house, No. 42 Park-ave. Connolly was then taken back to the New-York Hotel, and after dark he left the hotel in a close carriage in the custody of the deputy sheriffs, and entered his own house as a prisoner. Mr. O'Cenor, Connolly's lawyers, and Commodore C. K. Garrison were there. Mr. O'Conor was still in fear of treachery on the part of Connolly prosecution that the St. Patrick's Alliance, which had been organized as a benevolent society, but litical purposes, had promised to aid Connolly in making his escape from the Sheriff. Led by his doubts and fears, Mr. O'Conor went down stairs into the basement, and there found a number of men assembled. He inquired Mest of them were in Connolly's employ, and Mr. O'Conor law. He then came up stairs in much excitement, and said he "believed the conference was a trap to give an opportunity for Connolly's rescue." He was informed by the Sheriff that there was no likelihood of such an attempt being made, and that he (the Sheriff) was prepared for any emer-The consultation then proceeded in the small room adjoining the front parlor. Mrs. Connolly conducted the negotiations for her husband. There was some talk of \$1,250,000, but it was pleaded on Connolly's behalf that his share of the stolen money was small con pared with the amounts received by the others, and that \$1,000,000 would more than make good his proportion. The facts developed by subsequent investigations were not then known, and it seemed at the time aimost incredwere broken oil, and the persons present separated about much excitement. Connoily and his family supposed he would be taken back to the hotel, but on the winspered order of the deputy sheriff in charge to the driver, the carriage turaed into the Bowery, and midnight sounded from the church bells as the party reached Ludlow Streat fail.

Connoin, it is well known, remained in the jail until the beginning of the new year, when he was released on ball, and the preceedings were subsequently set aside by the Court of Appeals, enabling him to get away before new suits could be begun. Mrs. Connoity is now in the city, it is understood, for the purpose of aiding in se-curing the compromise now well under way.

TOWNSEND FORGING HIS THUNDERBOLT. John D. Townsend, counsel for Tweed, said to a TERRINE reporter last evening that there was nothing new to communicate on the subject of Tweed's affairs. It would take him several days to look over his papers preparatory to making the statement on the part Fairchild for a settlement, and the other matters to be embraced in it.

WASHINGTON.

RETIREMENT OF SMALL NOTES. MYSTERY MADE OF IT-CONTRADICTIONS-THE TRUTH FROM MR. SHERMAN-A GOOD DEAL OF QUIET CONTRACTION.

IBY TELEGRAPH TO THE TRIBUNE.]

WASHINGTON, June 14 .- The Treasury Depart nent does not appear inclined to take the public into its confidence in all matters relating to the processes of resumption. There are occasional conalments and diplomatic evasions, well meant, no doubt, but apparently unnecessary in a Government where everything sooner or later must go through the ordeal of popular discussion. The case in point is the withdrawal of a portion of the \$1 and \$2 green backs from circulation. When it was first announced in THE TRIBUNE that the policy of the Treasury was to withdraw these notes, and that me degree of scarcity already existed in the money centers, a semi-official announcement was made that no order had been issued for their withdrawal. Shortly afterward an authoritative statement was put out to the effect that there were \$51,404,000 of notes of these denominations in circulation, over \$10,000,000 more reserved for use in the Treasury and nearly \$10,000,000 printed or nearly printed in the Bureau of Engraving and Printing. Now all this was literally true, but the way in which it was said gave the impression that no movement had been set on foot to contract the volume of the small notes While the statements were put forth on one floor of the Treasury, on another in the cash-room appeared this placard in large black letters at the payingteller's desk: "The issue of one and two dollar bills is discontinued." At the same time the Printing Bureau gave information to all who asked that no work had been done on notes of these denominations

The whole truth about the matter is learned from Secretary Sherman and Treasurer Gilfillan to-day. It is that there has been some contraction of the \$1 and \$2 greenback circulation for the purpose primarily of getting the silver coin out faster than could be done by the slow process of redeeming fractional currency; and secondarily, as an experiment in the direction of paving the way to resumption. No order was issued for the withdrawal of the small notes, but the Treasurer at Washington ceased to pay them out some weeks ago. The Treasurer thinks that the Assistant Treasurers in other cities are still paying them, but it is reported from unofficial sources that on the strength of private letters these officials have made their policy comply with that of the Treasury. Some time in April the National banks were informed that instead of \$1 and \$2 greenbacks for redemption purposes the Treasury would supply them with silver coin, and pay the expense of transportation. This expense was defrayed out of what is known as the silver profit fund, derived from the profits on coinage. In this way a large amount of silver was distributed over the country, and the ordinary supply of small bills was cut short. Probably of the \$10,000,000 of \$1 and \$2 notes now in the Treasury about \$7,000,000 may be considered to have been withdrawn from circulation, leaving \$3,000,000 as the ordinary amount kept on hand. How much more has been withdrawn by the Assistaut Treasurers in the principal cities cannot now be ascertained, but of course whatever it may be, the amount must be deducted from the \$51,000,000 re-

ported as in circulation. The Secretary thinks that whatever scarcity in these notes may exist had been occasioned chiefly by brokers hoarding them with the belief that there would be large withdrawals and that they could sell all that they could get for a premium.

Secretary Sherman further says that, while he thinks it would be an aid to resumption if the small notes were out of the way, it is not the policy of the department to retire them suddenly, and any further retirement, if decided upon, will be exceedingly gradual.

A STATEMENT THAT SMALL NOTES WILL AGAIN BE

ISSUED. [GENERAL PRESS DISPATCH.] Washington, June 14.-The issue of \$1 and \$2 greenbacks was discontinued at the Treasury in this city mainly to induce banks and individuals to take and put in circulation silver coin. Silver is the ing out of the treasury so rapidly-about \$1,000,000 a month-and the full greenback fund of \$10,000,000 authorized by law is so well assured. that the Treasurer will probably soon re same the shipment of ones and two in moderate amounts. It is impossible on account of the smallness of the appropriation for transporting Government funds to supply Assistant Treasurers with notes for exchange, and some of the local inconvenience arising from the lack of small notes must be laid to the comparatively small amount appropriated. A notice has been posted at one of th windows on the counter in the cash-room of the Treasury here as follows: "The issue of ones and twos is discontinued. It is very well understood here, as a prominent officer of the Treasury to-day said, that "the notice applied only to that window and not to the United States of America."

THE FOUR PER CENTS. PAYABLE IN COIN OF THE STANDARD OF 1870-PROSPECTUS OF THE LOAN.

Washington, June 14 .- A few days ago As istant Secretary French of the Treasury Department gave to the press, over his official signature, an opinion stated concisely in argumentative form, that 419 and 4 per cent bonds were payable, principal and interest, in

[BY TELEGRAPH TO THE TRIBUNE.]

The form of this letter gave it all the appearance of official authority. Secretary Sherman says to-day that the letter expressed merely the private views of Judge French, and should not be taken as in any sense at authoritative statement of the position held by the department. The Secretary added with a good-humored laugh that the letter with its five or six points only numbered reminded him of Luther's thesis. In this connection it is of interest to see the exact wording of the contract on the face of the bonds. It reads a follows: "Redeemable at the pleasure of the United States after first September, A. D., 1891. In coin of the standard value of the United States on said July 14, 1870. With interest in such coin." At the time of the passage of the net silver was a legal tender. The De-

monetization law did not pass until three years later. about to purchase \$22,000,000 of greenbacks with the proceeds of bond sales and retire them to reimburse the currency balance for withdrawals occasioned by the opertions of the 80 per cent provision, is pronounced by the Secretary to be unfounded. He further says that the report is mischievous because calculated to exerte alarm

The prospectus of the new loan is issued, and is as fol-

Under authority of a contract with the Secretary of Treasury, the undersigned hereby give notice to this date, and until July 16, at 3 p. m., they give subscriptions for the four per cent funded loss than the four per cent funded loss than the four per cent funded loss to the funded loss t

the United States, an denominations as stated below, at par, and accrued interest in good coin. The bonds are redecemble after thirty years, from Juny 1, 1877, and carry check issued by the Treasurer and mailed to his address at the order of the holder and mailed to his address. The check is payable on presentation, properly indorsed, at the United States.

The subscriptions will be for coupon bonds of \$50 and the United States.

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The subscriptions will be for coupon bonds of \$50 and The subscriptions will be ready for delivery on both coupon and registered stock in the denomination of \$60, \$100, \$5,000, \$0,000, and \$10,000. The bonds, \$100, \$500, \$100, \$5,000, and \$10,000. The bonds at the United States.

The subscriptions will be for coupon bonds of \$50 and The subscriptions will be for coupon bonds of \$50 and \$10,500, \$1,000, \$5,000, and \$10,000. The bonds and registered stock in the denomination of \$60, \$100, \$500, \$1,000, \$5,000, and \$10,000. The bonds at the United States.

The subscriptions will be for coupon bonds of \$50 and The subscriptions will be for coupon bond to oppon and registered stock in the denomination of \$60, \$100, \$500, \$1,000, \$5,000, and \$10,000. The bonds and post-oline and post-oline address of the present to when the bonds and post-oline address of the present to when the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to when the bonds and post-oline address of the person to when the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to whom the bonds and post-oline address of the person to whom the bonds and post-oline address of the Chines we call the calls as the calls and the t

purchase money must accompany the subscription. The remainder may be paid at the pleasure of the purchaser either at the time of subscription or at any other time prior to Oct. 16, 1877, with interest added at four percent to date of payment. The payments may be made in gold coin to the Treasurer of the United States at Washington, or the Assistant Treasurers at Saltimore, Boston, Chicago, Cincinnati, New-Orleans, and St. Louis, and also to the Assistant Treasurer at San Francisco, with exchange on New-York, and to either of the undersigned. To promote the convenience of subscribers, the undersigned will also receive in fiely of oil United States notes or drafts on New-York at their coin value on the day of receipt in the City of New-York.

August Belloman & Co., New-York.

Deexel. Morgan & Co., New-York.

J. & W. Sellgman & Co., New-York.

Morrow, Bliss & Co., New-York.

First National Bank of the City of New-York.

Drexel. & Co., Philadelphia.

SIMMONS CALLS ON MR. HAYES. THE PRESIDENT IN EARNEST ABOUT CIVIL SERVICE

REFORM-BOSTON CUSTOM-HOUSE SOON TO BE RUN ON A BUSINESS BASIS.

[BY TELEGRAPH TO THE TRIBUNE. WASHINGTON, June 14.—Collector Simmons called pon the President to-day for the specific purpose of ascertaining his views upon the civil service system

as applicable to the custom-houses. Mr. Simmons especially wished to know whether the fact that an officer has been loyal to the past

Administration, and has conducted his office in accordance with the principles which have been recognized in all party administrations, was to be urged against him now. He was informed by the President that as to the past the present Administration would undertake to hold no man responsible for a system of appointment which had been encouraged and practiced by both parties, and corrected by none: that the President was, however, determined that for the future his pledge of civil service reform should be executed to the letter; that persons in the Federal service should have no direct connection with or participation in the active management of polities or its machinery; that while like other good citizens they are expected to exercise their choice of suffrage, according to their own will, after candidates are chosen and issues made up he did not expect Federal office-holders to be a part of the political machinery which manages caucuses, controls conventions, and secures nominations; that the principles of the letter written to the Collector of Customs at New-York were to be made the general principles of the public service, and that they would doubtless be soon embodied in a general order. Mr. Simmons also learned that honest, efficient, and capable officers now in the service, although they had rendered fealty to old system of appointments and Administration, would not be removed on that account, but that on the contrary, as a rule, they would be retained unless written charges were pre sented against them and proved; that the present officers who are honest and efficient, and who are willing to accept the conditions of a civil service administration, and to agree to execute them, will be retained as better fitted by their experience for the very work at hand.

Mr. Simmons, in other words, found that the President is thoroughly in earnest in the whole business of civil service reform. He stated to the President that for himself he should be glad to see the experiment tried in the old Commonwealth, and should do his best immediately to separate the Boston Customhouse absolutely from politics. He only wanted the assurance that on undertaking it he should not be compelled to surrender to the politicians. The President gave him the most positive assurances of his earnestness in the matter. The result will undoubtedly be that Collector Simmons will speedily resign his position on the Republican Central Committee, and that the Boston Custom-house will cease to be an element in New-England politics.

CURRENT TOPICS AT THE CAPITAL. SPAIN TO LOOK INTO THE OUTRAGE.

Washington, Thursday, June 14, 1877. The Spanish Minister, Senor Don Antonio Mantiila de Los Rios, to-day called upon the Secretary of State and thanked him for the measures of inquiry which he had instituted in regard to the alleged filibustering movements at New-Orleans against the Island of Cuba. Minister Mantilla stated that it would be the pleasure of his Government to make inquiry into the alleged outges upon the American whaling vessel Ellen Rispah; and if the facts, as informally stated were sustained he felt that proper measures would be taken to assure the Government of the United States of the friendly disposition of the Government of Spain. The statement published to-day of rumars of an Ameri-The statement published to-day of runners of an American vessel having been searched by a Spanish man-of-war, and that a notification of the fact had reached the Captain-General of Caba is believed to refer to the cass of the Elien Rispan. The department has no knowledge of any new occurrences of this kind.

SOLICITOR TALBOT'S RESIGNATION. The enforced resignation of Solicitor Talbot of the Treasury Department appears to be a performance cholly off the line of civil service reform. Mr. Talbot is acknowledged on all hands to have been a remarkably good officer, and there are no complaints of his management of the Solicitor's Office. The first intimation he had that his resignation was wanted was the report of the ap-pointment of G. Wiley Wells of Mississippi to his pince. After Mr. Wells declined and another appointer was mentioned he had some conversation with the Secretary, and learned that his resignation with the Secretary, and learned that his resignation with the Secretary, and hearned that his resignation with the Secretary, and hearned that he service solely because his place is detail leaves the service solely because his place is wanted for somebody eise who has superior political

THE NEW-YORK BOUNDARY SURVEY.

The Superintendent of the Coast Survey has eceived letters from the chairman of the New-York and Pennsylvania Boundary Commission, requesting him to designate an officer of the Coast Survey to me designate an officer of the Coast Survey to meet them at a point on the boundary line on the 19th instant. A suitable officer will be dispatched, Col. Worrall, chair-man of the Pennsylvania branch of the commission, writes that Pennsylvania declines to cooperate in the proposed measurement of an are of latitude, and insists proposed measurement of an are of latitude, and insists on having four or five independent neutron in the line of the forty-second parallel, located by a Coast survey officer. It is stated that the existy-second milestone of the Ritemionus survey, made in 1773, will form one of these independent positions.

WASHINGTON NOTES.

Washington, June 14, 1877.

The acting Secretary of the Interior to-day issued as order creating a board, to consist of Chief Clerk Baxter and Recorder Clark of the General Land Office and Z. B. stargis of the Secretary's office, to conduct a competi-tive examination of second and third class clerks in the Land Office desiring promotion, to fill vacancies in the fourth-class clerkships. The examination is to take place on the 18th inst.

J. Q. Smith, Commissioner of Indian Affairs, telegraphs from Minnesota that he has postponed the completion of his tour of inspection and started back to Washington. He expects to arrive by Monday next.

C. C. Adams, special agent, has been appointed on the commission to examine the Bureau of Statistics, in place of Mr. Titcomb, who asked to be released from the duty. The President has appointed Charles Y. Osborne to be Collector of Customs at the District of Superior, State of Michigan.

MAUCH CHUNK, Penn., June 14.—Thomas P. Fisher was to day sentenced to death by Judge Packer for the murder of Morgan Powell. OMAHA, Neb., June 14.—Budd Doble, with Goldeastward, yesterday evening.

OMAHA, Neb., June 14.—The Kansas City, St.

PHILADELPHIA, June 14.—Frank A. Greiner to-day pleaded guilty of embezziement while a clerk in the Tax Receiver's office. A strong appeal for mercy was made, and he was sentenced to nine months imprisonment.

CHICAGO, June 14.—The Secretary of War and the Postmaster General have written to the Adjutant-General of the Military Division of the Missouri officially recognizing the mail route from Fort Pierre, Dakota, across the Sioux Reservation to the Black Hills.

St. Louis, Mo., June 14.—The preliminary exam-mation of the four mee who tried to wreck a train near Wood End Station a few nights ago was concluded vesterially. All the prisoners were esamilted to the Springfield Jail to await the action of the Grand Jury. Ball was refused. HAMMISBURG, Penn., June 14.—The Supreme Court has decided to hear arguments the Pittsburgh Term on a writ of error taken out in the cases of Patrick Rester, Hugh Trilicy, and Patrick McHugh, the Colombia County Medy Maguires, who were to have been hanged on the 9th of August.

Boston, June 14.-The 100th anniversary of the

ENGLAND AND FRANCE.

OCCUPATIONS OF PEACE.

THE FRENCH LIBERALS RESOLVE TO REPUSE THE BUDGET-MR. BRIGHT AND MR. GLADSTONE STILL PRIENDS. FROM THE REGULAR CORRESPONDENT OF THE TRIBUNE. LONDON, June 2 .- I spoke last week of the danger

that the Radical and Moderate Republicans in the French Chamber would split asunder on the question of refusing to vote the Budget. What I said was the result of a talk with a leading French Radical, who was all for refusing, but thought there was no chance of getting the Moderates to adopt so strong a policy. But bold counsels have prevailed. The organ of M. Gambetta has now announced that both M. Gambetta and M. Thiers are agreed, and that in no case will the Budget be voted for a De Broglie Ministry. This is really good news; good in itself, and good for all it implies. Indeed, we are far off from the days when M. Thiers called M. Gambetta a furious lunatic. M. Thiers is now M. Gambetta's candidate for the Presidency in the event of the Marshal's resignation. M. Gambetta and M. Thiers, between them, ean command a majority in the Chamber of Deputies; indeed, when you add the Extreme Left under M. Louis Blanc, you have all the important constituents of the majority of 355 which denounced the dismissal of the Simon Ministry. The union is so complete, and the country so manifestly with the Assembly, that the thing last talked of when I left Paris, two days ago, was a compromise. The Marshal has no intention, his friends aver, of tying his fortunes to those of De Broglie. It is more than intimated that he made his coup de tête-this and not coup d'état is the proper name for it now-in his own interests and those of his son; not for any dynastic interest at all. Flatterers have persuaded the dull, vain old soldier that he is the essential man, and that France is so grateful to him for having acted as figure-head, that she will keep him there as long as he lives, and may even put in his stupider son after him. When, therefore, a new Republican Chamber is elected De Broglie is to be dismissed, and another Republican Ministry in-

A story is circulating that the Princess of Wales is going to live at Copenhagen. She is alleged to be so outraged by the last public infidelity of her husband that she can endure the position no longer. I do not believe it, but I repeat it as a piece of gossip which has already traveled far. The Princess is on her way home from Greece, and the Prince has gone to meet her. Her return and his departure are alike rather sudden. She was not expected quite so soon. and this change of plan has naturally helped to propagate the rumer of a serious quarrel. But the world asks, in its cynical way, what there is in this new liaison with Lady S. more public or more offensive to the Princess than in any or all the others with which she has borne. The Princess has been thought to take a philosophical-or shall I say royal? -view of these matters. A remark is imputed to her which, if she really made it, would confirm that theory. "Bertie," she is reported to have said. has loved many women, but he has loved me best of all." And, in truth, whatever else has been urged against the Prince, nobody ever accused him of the lesser domestic sins-of treating his wife coldly, or failing in all outward attentions or in constant kindness of manner.-This is wretched gossip, and I don't see what entertainment the American people can find in it; if they like it, so much the worse for them, and for me.

Mr. Bright was present yesterday, as he had promised, at the Birmingham banquet to Mr. Gladstone, and made a skillful speech, with not a word in it about the differences between himself and his former chief. There was no want of heartiness in what he said about Mr. Gladstone; no taint of jealousy in his description of the meeting keld in his own constituency to support a policy he had himself disowned. He described the meeting as the greatest meeting that has ever been held. He spoke of Mr. Gladstone as "the most eminent man of the statesmen of our country in this generation-the most eminent man certainly that we have in Parliament, or have had for a very long period." That ought to silence the petty scandal which delights in hatching a quarrel between two great men and great friends-as if two statesmen could not divide on a question of politics without ceasing to be friends. Why, I have heard on the abilities and genius of Mr. Disraeli. There is a certain generosity in English public life which worse for imitating. I do not refer to the United States, where it is well known that a statesman of any party looks upon his rival as a man and a brother. But in France and some other foreign countries it is otherwise.

Even to Mr. Chamberlain, who is thought to have gained influence in Birmingham, a little at Mr. Bright's expense, Mr. Bright was most amnable. The old man chaffed the young one about his insatiable appetite for stirring times and his complaint that nobody was active enough for him. But he dissented from none of Mr. Chamberlain's proposals. He accepted the new Federation of Liberal Associations, if not eagerly, yet with sufficient recognition of its probable usefulness, and without any protest at all against its probable usurpation of the jurisdiction and control which has heretofore been claimed by the managers in London. There is nothing in Mr. Bright's history which should lead him to protest against this. He has always been a free lauce, nor was he believed to take much stock in the ma chinery of the party when he was a member, of Mr. Gladstone's Cabinet. Mr. Gladstone made three more speeches, none of them long, and listened to as more speeches, none of them long, and instelled to as many labored compliments in the shape of addresses, written or spoken, as might last him for the rest of his life. In all points the demonstration has equaled, and I dare say surpassed, the expectations of its promoters. I need not add anything to what I said yesterday respecting its political importance and its grave significance in respect to the party.

G. W. S.

GOV. CULLOM'S MISSION.

ILLINOIS POLITICIANS EXPECTING MUCH OF IT-THE MEN WHO WERE TO BE PRESENTED FOR OFFICE. IBY TELEGRAPH TO THE TRIBUNE.

CHICAGO, June 14.-Throughout Illinois politicians and anxious office-seekers are looking forward loy, Cuilou and other prominent citizens of the State to Washington. Gov. Cailom, State Treasurer Ruiz, and Mr. Janes, the brother-in-inw of ex-Senator Trumbull and one of the best politicians in the State, left Spring-field with well-laid plans to secure some of the best appointments at the hands of the General Government for the State of Illinois. John Baker was to be the prominent candidate for the appointment to the Brazilian Mission, and if he could not get this he was to take the next best thing offered. Samuel Jones, a Springfield banker, and partner of Gov. Cullom, was to be brought forward as pension agent. Gen. Julius White and Mr. William Henry Smith, the two prominent candidates for the Chicago cellectorship, were to be slaughtered, and Daniel Sheppard, who did some very vigorous work for the party hast Fall as Secretary of the State Central Committee, was to be pressed vigorously as most deserving of office. In addition to these requests Gov. Culom and Mr. Jones have labored dilected by the Patie. Which Edina International Committee. requests to v. Calcom and Ar. Jones have in gently to have retained a few prominent office Illinois whom the Pekin Whisky Ring leade deavered to prove to have been guilty of frue ruption ever since they have been in office, be the result of this political effort it is perha-to surmise, but much is expected from the sa-

BELFAST, Me., June 14 .- The new ship W. H. Conner. 1,500 tons burden, was launched at Searsport at the midnight tide. She is the largest vessel ever built in Searsport, and is owned in Scorsport and Beifast. The commander will be Capt. John Pendicton.

THE NEW CAPITOL.

ALRANY, June 14.-The Capitol Commissioners had a meeting to-day and adopted a resolution to renew work on the new Capitol immediately, carrying on the work in the Italian renaissance, or the original style.